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25 July 77

MEMORANDUM FOR: Deputy Director for Administration
Deputy Director for Intelligence
Deputy Director for Operations
Deputy Director for Science and Technology

FROM : E. H. Knoche
Acting Director of Central Intelligence

SUBJECT : Recommendations of Seminars on Creativity
and Ethics

1. As you are aware, two seminars dealing with the subject of creativity and ethics in CIA have been conducted in recent months under the auspices of the Center for the Study of Intelligence. The first seminar was composed of senior Agency officers while the second seminar group was made up of younger personnel and included a broader representation of the Agency population. With a few exceptions, the conclusions of the two groups tended to coincide as regards basic issues. I believe the findings that have resulted are thoughtful and deserving of serious study regarding implementation.

2. As a result of a recent discussion I had on this matter, it was concluded that all the recommendations do not necessarily lend themselves to across-the-board Agency implementation, at least in terms of applicability or emphasis. Another question presents itself and that is whether or not a more broad-based constituency would agree with the findings. In order to pursue both these points, I would appreciate your doing the following. In the course of the next two months would you or your Deputy hold a special staff meeting with each of your operating components to discuss these findings. I believe some are more applicable to specific Directorates than to the Agency as a whole. Your meetings would be helpful in validating this opinion. Such meetings also would either enhance the

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credibility of the findings or give us some different insights. The Center for the Study of Intelligence will shortly designate an officer to devote himself for some period of time to this matter. The results of your meetings will be made available to that individual for correlation.

3. Attached for your convenience is a combined listing of the most significant recommendations of the two groups. This combined listing may serve as a useful summary of the recommendations I am asking you to consider. Since it is a summary and a combination, it should not be considered a substitute for the more detailed and separate recommendations contained in the two reports distributed by the Center.

4. The recommendations of the two seminars are of personal interest to me, and I look forward to continuing progress reports from both the addressees and the Center as regards their implementation.


E. H. Knoche

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Distribution:

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- 1 - DDI w/att
- 1 - DDO w/att
- 1 - DDS&T w/att
- 1 - OTR/CSI w/att
- 1 - C/M&AS w/att
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Rewritten to Change Para 2: JFBlake:der (2/24/77)

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Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

SUMMARY OF RECOMMENDATIONS

1. Innovative Approaches to Decisionmaking

Decisionmaking authority should be delegated downward to a greater extent. In addition, interdisciplinary approaches to decisionmaking should be used to include all office-level components involved, even across directorate lines, where appropriate. Pre-decisionmaking periods should be designated to allow open discussion and dissent prior to a final decision.

2. Receptiveness of Management to Innovation

Increase the use of non-cost methods of recognition to demonstrate management's continuing interest in fostering individual initiative.

3. Improved Personnel Management

Develop programs to improve career opportunities thru better counseling, accurate evaluations, and increased rotational assignments. Periodic zero-base review of such programs will ensure effectiveness.

4. Fostering Creativity

Review the application of MBO to determine whether it stifles creativity and, if not, that it is implemented uniformly with the degree of participation necessary for success. In addition, encourage development of informal "think tanks" to allow officers to express their original idea without fear of supervisory reprisal.

5. Liaison Relationships

Take a cost/benefit approach to liaison relationships and prepare defense papers for justification to critics. In this regard, request officers volunteer ideas for alternative collection techniques to compensate for future liaison losses.

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Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

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Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

6. Ethical Issues

Develop a canon of ethics for CIA and establish an open forum for discussion of ethical issues relating to operations. In this regard, disseminate a statement of Agency policies on covert action and other constraints under which CIA operates.

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30 NOV 1976

MEMORANDUM FOR: Deputy Director of Central Intelligence
FROM : John F. Blake
Deputy Director for Administration
SUBJECT : Conference on Creativity, Ethics, and
Controls in CIA

25X1A 1. Attached is the report of OTR's Center for the Study of Intelligence on the two-day conference held at [REDACTED] recently to discuss creativity, ethics, and controls in CIA. I hope you will find the content responsive to the issues you raised when you talked with the group to open its deliberations.

2. The Center recommends that you approve a limited distribution of the report to about 50 senior officers of the Agency. It further recommends that the Center be authorized to gather together a younger and somewhat more mixed representation of the Agency's officers for a one-day review of this report in which they would be provided the opportunity to air their views on its subject matter. With a report back from that session, you may then wish to consider wider discussion of the entire subject and/or adoption of whatever elements of the associated recommendations you deem appropriate.

John F. Blake

John F. Blake

Attachment

I approve (✓) disapprove () limited distribution.

I approve (✓) disapprove () one-day conference.

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Deputy Director of Central Intelligence

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Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

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Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

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Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

Report of a Seminar on Ethics and Creativity
in the CIA

SUMMARY

A representative group of senior CIA officers met recently to discuss the existing climate for creativity and responsible dissent as well as the nature of ethical consciousness today within the Agency. The group concluded that the controls and inspections visited upon the CIA have not curbed the imaginativeness and spirit of innovation among its officers, but that individual initiative has declined. Preserving and nurturing the best climate for creativity involves a number of important elements. Among these are:

- a clear knowledge of the aims and goals of the Agency--now somewhat lacking;
- a reversal of the trend toward the "sucking upward" of authority for decision-making;
- preservation of the new, more intensive spirit of concern with the potential impact of proposed initiatives;
- a more vigorous exercise of assigned authority by those at middle levels of the Agency's management; and finally
- conveyance of a "style of leadership" in the Agency which trusts, encourages, and is willing to accept the risks of individual initiative from below.

Some current aspects of management by objective and certain personnel practices were also cited as incumbrances to creativity.

While adequate channels exist for dissent in the CIA, there is room for improvement. Many officers still appear to believe that the way to get ahead is not to dissent from the views of authority. There is more awareness now of the existence of forums for the expression of dissent on legal or ethical grounds, but dissent grounded in concern

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Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

for the wisdom of policy is still dampened in the view of most of the participants. The solution lies in assuring that the decision-making process at all levels encourages and truly reflects the pros and cons of a given situation. A willingness to tolerate and give a fair hearing to alternate views gets quickly communicated through an organization.

A general raising of the ethical consciousness of the Agency was deemed desirable, and one method to accomplish this is to strive for some sort of charter or code of ethics. The effort itself is important, in the view of the officers assembled, even if an actual code is not achieved. Some participants believed the latter might not be desirable at all, though they favored the effort. The group agreed that the issue of ethics in CIA was an Agency-wide issue and not one confined to the Operations Directorate alone. There was agreement that the Agency might be wise to set forth its policy toward, and the ethical and professional justification for, continued covert action programs, and to disseminate this internally. In our training programs we should strive not to teach ethics per se, but rather to raise ethical consciousness and to provide a means for trainees to face frankly and discuss openly the ethical aspects of the profession of intelligence.

The group was asked to address certain aspects of liaison, and it saw a need to concentrate on marshalling our best defense of the flexibility, benefits, and propriety of maintaining in some form our foreign liaison relationships. There is an interest vital enough here to draw the line to defend, as well as to engage in a concerted effort now underway to review alternatives to such relationships. (A detailed list of the recommendations of the group is at Annex A.)

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Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

Report of a Seminar on Ethics and Creativity
in the CIA

Has the long trial of the Agency in the past three years put a damper on the creativity and initiative of its employees? Is healthy dissent constrained? Is our ethical consciousness dulled? Do we, in fact, need a canon of ethics in the CIA? These were some of the issues discussed by eleven senior officers from across the Agency meeting on 11 and 12 November under the auspices of OTR's Center for the Study of Intelligence.*

The Deputy Director of Central Intelligence, Mr. E. H. Knoche, opened the session, asking the group to suggest ways of advancing innovation and creativity in the CIA under the constraining impact of inspection and controls. Is the Agency open enough he asked; does it allow enough opportunity for dissent; and how might a climate be maintained that does not discourage responsible dissent? Mr. Knoche said that the American people now accept intelligence as within our constitutional system, but that the need remains to define the bounds of propriety for intelligence within this system. Should the ethics of intelligence be viewed only against the nature of the perceived external threat at any given time, or are there some "ethical eternal" for intelligence that can be reflected in a canon? Should we try to develop one?

*List of participants at Annex B.

25X1A

Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

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Mr. Knoche noted the increasing external criticism of the Agency's liaison relationship with certain repressive foreign governments (and of activities of these services in the United States) as an example of a problem involving the propriety of CIA activities. He asked the group to consider whether we are creative enough to find other ways to secure the positive intelligence benefits now accruing from these liaison relationships should we have to modify or terminate some of them.

A recapitulation of the group's discussion following Mr. Knoche's remarks is set out below, along with the group's general conclusions and recommendations.

Creativity in the CIA

If creativity within the Agency is defined as the ability to stimulate new and fresh ideas on what to do and how to do it, then creativity is alive and well in the CIA today; it is less healthy if measured in terms of individual initiative, and willingness to take risks. This was the near-unanimous view of the participants in the discussion. In terms of innovation and imagination, we are as strong today as ever.

If the need is there, sequels [REDACTED] [REDACTED] are well within our creative grasp, although the pressure of budgetary constraints may be causing our more imaginative thinkers to be somewhat less assertive in putting forward the grander schemes. On the other hand, some

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Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

participants noted that the budgetary problems have actually stimulated the expression of good, alternative and cheaper ways of doing things than in the salad days of the past.

Our experience with real creativity is that it is irrepressible and cannot be held down. With a really good idea, there is still room in the CIA to try it. The DDI has just reorganized some of its structure, seeking a fresher, more effective product and a better climate for creativity. There are imaginative new collection activities underway in the DDO. The DDA, it was said, is a sharper and more perceptive outfit than in the past. From this perspective, the challenge with creativity is probably that mainly of protecting the climate we have now and of encouraging it more.

But creativity in terms of imagination alone is not the whole of it. If creativity is assessed in terms of certain important ingredients closely related to it, such as the willingness in routine situations to take new initiatives or to take risks, then the present CIA prognosis is not nearly so favorable in the view of the participants. They expressed the view that individual initiative down the line in the Agency has been dampened in the past several years to the point where a lack of it is having serious negative consequences on our overall performance. The reasons for this are numerous, and many are plain to be seen. The solutions, however, are not nearly so obvious, or confident,

Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

CONFIDENTIAL

CONFIDENTIAL

Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

or easy. Among the reasons and the solutions advanced by the group for the decline in initiative were:

- that the motivation routinely needed for it stems in large part from knowing clearly as an individual and as an organization where you are going and what you are doing. Our notion of this as an Agency is foggier today than in the past. Not only have we more people from new outside quarters telling us what we should be doing, but our own internal leadership has changed repeatedly in recent years causing rapid changes and some contradiction in marching orders. It takes time for this to clear; while the effect persists, the unfortunately typical reaction is to keep one's head down and mark time.
- that the outside scrutiny of the Agency has inevitably accelerated a trend toward centralization and a "sucking upward" of the authority for decision-making in the CIA, undercutting at lower levels at least, the climate needed for creative initiative to flourish. The diminished role of the branch chief in the DO was cited. With less authority for decision than in the past, he is not looked to as much for leadership and thus loses the motivation to take innovative initiatives. In contrast, our overseas chiefs of station, in whom we still entrust considerable individual authority, were cited repeatedly for responding well in that climate so propitious and stimulating for creativity.
- that the spotlight on the Agency is not altogether unhealthy by any means. It has resulted in a greater concern than in the past with the potential impact of a given initiative and with a more realistic concern for its potential value. Employee attitude surveys tend to confirm this, although some in the group were not sure it is a view fully shared by the younger officers. The trick, then, is to retain the constructive caution, but not stifle the initiative.
- that the responsibility for accomplishing this trick must in part rest with the individual officer. He can put his head down, be over-careful in checking with his supervisor, with the Inspector General, or the General Counsel's

Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

CONFIDENTIAL

CONFIDENTIAL

Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

office, or he can keep before him the vital need to exercise his responsibility and authority to the fullest with prudence, but not with over-caution. (Some in the group believed that the present trend to overcheck the propriety, indeed even the substantive wisdom, of many proposed Agency initiatives would lessen as we become more familiar with the new regulations and controls on us. Others believed that more checks will inevitably descend on us in time to come, thus perpetuating the present situation. Some believed there was a tendency to seek more from the Inspector General and General Counsel's offices than what either should provide, that is, legal opinions rather than policy decisions.)

--that apart from the individual officer's duty to fully exercise his authority, the solution also lies in part in a "style of leadership" in the Agency that must demonstrate a real trust and interest in initiative, that in fact demands it, is receptive to it, and sincerely tries to utilize it. In the view of the group, the way an organization is operated is the primary influence on the way its employees respond. People repeat rewarded behavior and try to stay away from what gets them in trouble. An overly-cautious leadership that fears to use the opportunities for a delegation of authority promotes an overly-cautious response in its employees. If the Agency leadership does not repeatedly demonstrate its trust and confidence in the rank and file, the Agency as a whole will not be able to show it is worthy of such trust. (Some in the group sensed an isolation problem developed in the Agency leadership in recent years. In the smaller, more closely knit CIA of old there was not the private elevator, the executive dining room, the vast building itself that made it possible for a top manager to come or go or to spend his whole day, if he wished, with no real exchange down the line that might feed him new suggestions, new initiatives from below).

While the tendency of the group was to place the onus for lagging initiative on attitudinal factors in the CIA, and not on the growing strictness of actual regulations, or on the

Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

CONFIDENTIAL

CONFIDENTIAL

Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

seemingly ever-more structured and formal mechanisms for operation, management and decision in the Agency, there was a considerable unease evident about how these mechanisms are influencing our creativeness and initiative. The MBO system, in the view of some participants, tends artificially to drive our activities, resulting in the setting of objectives that may not represent a true consensus on what is really needed in any given unit. False goals, thus set, can camouflage real needs, meanwhile orienting the unit much more than is needed to an information-feeding process of progress reports and similar activity. In the view of these officers, creativity and initiative usually suffer when activity is overly focused behind a few formal goals.

But others took the position that MBO and similar management techniques often provide not only the linkage for dialogue on objectives and activities that has not existed in many units before, but an orderly and time-bounded procedure for the solution of problems and completion of goals. Accordingly, it has thus enhanced the opportunities for lower-level initiative and participation. The group perceived a current lack of a sense of participation as an inhibitor of initiative.

Another factor impinging upon the climate for initiative and innovation is the amount of frenetic distraction from our proper intelligence role which many view to be the main result

CONFIDENTIAL

Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

of the manhours spent on such things as the Freedom of Information Act, the Privacy Act, and endless responding to investigations, and the simple but possibly more pernicious threat that attention to form and artificial deadlines will outweigh attention to substance in our work.

Agency personnel practices were also cited as barriers to creativity and initiative in some instances. Much of the individual's stimulus for initiative springs from the degree of job satisfaction he feels. If he is constructively busy and believes that he is contributing, his initiative and his creativity are usually good. The trick is to construct the division and management of work responsibilities so that the individual feels needed and purposeful in his endeavors. This is, of course, easier said than done in a bureaucratic organization, especially one, according to some participants, with serious personnel surpluses in some units at Headquarters. The group endorsed more serious Agency efforts to develop a "selection-out" process early in employment as one means of coping with the personnel surplus and maintaining job satisfaction. Continued effort at broadening rotational assignments between components and Directorates was also suggested as an important means of infusing fresh perspectives and, thus, more creativity throughout the CIA.*

*In encouraging broadened creativity and initiative among CIA officers, it is of course important to continue striving for the improvement of the caliber of our people. In the view (contd.)

CONFIDENTIAL

Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

The Suggestion Award System

In considering how to enhance creativity in the CIA, attention turns naturally to the already established system for suggestion awards in the CIA. The group discussed this system, and the question of whether it could be further used to encourage creativity--possibly by rewarding good ideas that for one reason or another could not actually be implemented.

It was noted that the suggestion award system is already one of the more successful in the government. However, its image (somewhat inaccurately) connotes a monetary reward for suggestions that are mainly intended to cut financial costs in procedures or save time for the Agency. Altering this image to encourage substantive initiatives on operations or other matters might be worthwhile and is probably worth some careful study. However, this could result in explicit rewards to people for simply doing their job, thus creating a psychological aura not favored by the group. Informal mechanisms, such as "developmental" or "think" units within individual components did find favor as mechanisms for stimulating an attitude or climate favoring creativity, as long as they were sufficiently flexible, informal, and closely tied to the everyday lifeblood activities of the units.

of the group, to do this it is necessary for management to get a better multi-dimensional view of its personnel for rating and promotional purposes. One step in this direction would be the inclusion of a peer-rating system along with supervisor-written fitness reports. The key to such a system's success would be to keep it focused on the positive qualities of the employee and avoid allowing it to become a stereotyped and routine procedure. Other steps suggested included additional emphasis on leadership training.

Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

CONFIDENTIAL

CONFIDENTIAL

Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

The Foreign Liaison Relationship

In response to Mr. Knoche's expressed concern that the Agency may come under pressure to drop or alter its foreign

we should creatively attempt now to develop alternate collection sources, the group arrived at a dual consensus.

One consensus was that the Agency needs to muster in the most effective fashion it can the many good points to be made in favor of our liaison relations. In brief, these include:

- the fact that our entire clandestine operations in a given country often depend on the nature of the liaison relationship.
- the fact that we do often gain useful leverage on a country through the liaison relationship, leverage that is in our national interest.
- the fact that such relationships do not need to be viewed simply in terms of maintaining or not maintaining them. There is room in each for limitations and alterations tailored to fit the specific situation.
- the fact that such relationships can and should be used for good example purposes by showing that our service does not engage in repressive practices.
- the fact that, contrary to many outside critics, our liaison relationships have not been the seed-bed for questionable covert action operations.

Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

CONFIDENTIAL

CONFIDENTIAL

Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

- the fact that a full public disclosure of the reasons for relationships with foreign liaison services cannot be made without endangering such relationships (for example, telling the public what a golden opportunity it presents for us to penetrate the services with unilateral agents).
- the fact that liaison relationships need at the least to be studied carefully on a case by case basis with the long-term costs and possible benefits fully perceived. It is not possible to develop some general moral "litmus test" on liaison relationships. Many services, among them some of our allies who share our general ethical standards, have engaged in repressive, brutal activities under certain circumstances.

In terms of alternates for liaison arrangements, the consensus of the group was that we can assess rather well at this time what we would lose by terminating them, but that the possible substitutes are not very susceptible to analysis at this point. It was deemed worthwhile, however, that the appropriate Agency management specifically request ideas on substitute collection means from the concerned units as well as more broadly in the DO, hoping to garner ideas from officers with varied perspectives. (More of this type of approach on other problems was also recommended.)

Additional points made on the liaison question included the view by several DO officers present that guidelines on these aspects of liaison relationships are insufficient and thus have not been disseminated effectively in the ranks, leaving many officers in the dark. The need was also suggested for support of those chiefs of station who believe

Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

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Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

they can cause beneficial change in a foreign liaison service's methods of operation by standing up for principles.

Opportunity for Dissent

Closely related to the encouragement of creativity and initiative in the Agency is the creation of a climate that does not discourage responsible dissent. The participants in the discussion generally agreed that some of the Agency's past difficulties and transgressions might have been avoided had adequate channels for dissent existed. In the past, dissent was essentially an individual initiative, with no guaranteed institutional reaction. The opinion was offered that some of our ex-employee critics may have been spurred to publicly turn on the Agency by the inadequacy of effective internal dissent channels in their day. Most participants believed that today more officers are aware of the existence of explicit institutional channels; for example, the strengthened Inspector General's office, although a minority questioned if this channel was effective for all categories of dissent. Nevertheless, the participants agreed that many officers in the Agency still appear to believe that the way to get ahead is not to dissent from the views of authority. One attitude survey was cited in which some 60 percent of the respondents said they feared opening up and expressing their views. How does the Agency overcome this frame of mind?

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Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

The group noted that two basic types of dissent are important to consider. Each has different consequences. There is on one hand dissent over the wisdom of a specific operation or policy. On the other, there is the question of dissent over the propriety in terms of ethics or law of an operation or policy. In the latter case, channels for registering dissent and for management to react to it are probably adequate. This was held by the group to be true, for example, with covert action planning. While there are still difficulties in this field (see section on ethics in the Agency), opportunities for dissent either in terms of the wisdom or propriety of the planning are not among them.

But the climate for dissent in terms of challenging the wisdom of a policy is another matter. Here, there is no easy institutional answer. An employee seriously dissatisfied with policy in his unit can approach the Inspector General's office. But this constitutes a major step, traditionally used only for issues of wide and serious significance. What about the day-to-day process in any individual unit of truly exposing the pros and cons of proposed activities? Does the climate exist to encourage this in a healthy way? Efforts to formalize or institutionalize the process at this level would be counter-productive, according to the participants, who feared it might spur the "Sam Adams mentality." Some present, in fact, contended that the growing formality and organizational

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Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

discipline in our overall managerial and control structure is probably undercutting expressions of dissent by forcing it to be registered with such formality and finiteness that employees find the process seriously intimidating.

But the problems should not be thought of as simply one of expressions of view from the lower level upward. The issue is really the degree of openness existing above the level of the individual officer's sphere of responsibility. The way to achieve this openness, said the discussants unanimously, is to make sure that the decision-making process up and down the line is open and encourages participants at all levels, that it is a process that truly reflects the pros and cons of a given situation. This is accomplished by a managerial attitude that encourages alternate views, is willing to tolerate them, and to give them a fair and responsive hearing. If this attitude exists, it is quickly communicated throughout the organization. The need for formal channels or official mechanisms is diminished, if not eliminated.

Where institutional mechanisms are needed, some in the group suggested the value of recent experiments with so-called "A and B team" approaches in which a policy option, recommendation, or proposed operation is formally examined by groups with opposing points of view, each seeking to muster the best arguments for its view, but with each required to address the issue from comparable perspectives. Obviously, such an approach

Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

CONFIDENTIAL

is most useful on issues of real significance and considerable breadth where time is not of particular essence. One group member also suggested that the Agency study the utility of an ombudsman system similar to that existing today in a number of public and private organizations.

Ethics in the Agency

The issue before the discussion group in this sphere was whether the CIA as an organization should give explicit attention to the nature and adequacy of its ethical values and, if so, how this should be approached. Before focusing on this general issue, the group attempted to identify the major Agency activities that often appear to raise questions of moral standards or values. It was asserted by some present that Agency employees as well as outsiders tend to view the ethical issue as focused primarily on the DO. While there is reason for this, it is clear that issues of ethical standards also arise with significant consequences in the other Directorates. Some of those mentioned for the DDI were:

- how to deal with requests for intelligence analysis that partially involved assessments of U.S. domestic developments. (The student attitude memorandums of the 1960's.)
- dealing with requests for intelligence analysis, especially from Congress, where the end use may be to prove a partisan political case, or even to support a re-election campaign.
- dealing with requests for intelligence analysis where it appears that a judgment supporting a policy position is desired by the requestor. This is complicated by institutional coordination problems.

Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

Some ethical issues in the DDS&T involve:

- the proper control of contract activity to avoid opportunities for graft or other fiscal abuses.
- the extent to which the analysis of foreign civil technological developments can be conducted. Issues of industrial espionage arise here, as do questions of the release of the analysis without unfair benefit to U.S. firms.

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In the DDA some of the main issues involve contract control and the maintenance of the proper relationship between

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For the most part, however, the group concentrated its discussion on the agent-case officer relationship in the DO and on covert action operations. With regard to agent recruitment, some participants said that ethically the agent is considered a "consenting adult," usually more aware of the personal perils of his espionage activity than his case officer. Strategies which obtain his services under duress are not to be ruled out, although it is clear that most successful agent recruitments, certainly the more productive ones, usually are based on more positive factors. Two areas of agent relationships that were mentioned as warranting strong ethical concern by case officers involve recognition of the duty to protect

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Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

the agent from danger and identification if at all possible and to arrange a fair and equitable termination settlement when that point arises. In both relationships, according to one participant, the Agency has at best been inconsistent. There was unease expressed over the Agency's future ability to protect the identity of its agents and in turn the moral conviction with which the officer can promise protection to the agent. Most of the participants expressed themselves as against instructions to an agent that his handlers know would place him in extreme danger of identification or personal harm. It was also generally agreed that the Agency does not really take a needed long-term view of its agents, and that ethical issues arise for the most part from the short-term, pragmatic decisions made with regard to agents. MBO pressures which are akin to "scalp hunting" exacerbate the problem.

With respect to covert action operations, the group agreed that a serious attitudinal problem exists throughout the Agency that not only questions the ethical propriety of the covert action concept, but also involves the willingness of many officers to take proposed operations seriously enough to do adequate planning and evaluation in connection with them. With regard to the ethical propriety of the covert action concept, it was agreed that there is little use within the Agency in debating it in the abstract. An official statement aimed at our employees explaining the Agency's policy on covert action was deemed worthy of consideration by the

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CONFIDENTIAL

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Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

Agency's leadership. This, it was believed, would help generate a climate of openness about CA activity within the Agency that would aid in reassuring those employees who question the Agency's ethical stance on this issue. It would be difficult to avoid phraseology in such a statement that might negatively restrict the Agency's hand, if times and circumstances of external threat to the U.S. change. An effort to develop such a statement was nevertheless seen as worthwhile.

With regard to the adequacy of planning within the Agency for covert action, there was a consensus that an explicit educational effort is needed to increase understanding and acceptance of how the CA planning and decision process now operates. Such an effort would seek to make clear the opportunities in the process for evaluation of the pros and cons and the desire of the Agency to consider proposed CA operations not only in terms of the efficiency of the plan, but also in terms of its chances of achieving its intended result and the likely consequences of that result.

The issue of whether the Agency needs to develop and promulgate a general ethical canon or code for its activities drew a mixed reaction from the participants. It was asserted that younger officers in the Agency have a strong concern over ethical issues, and feel the weight of past "transgressions" by the Agency together with the responsibility for preventing them in the future. Unless we develop a canon, according to

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Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

one participant, we really have no coherent way to pass on the traditional ethical standards of the Agency to younger officers. Another participant said that any organization with a mission as structured as that of the Agency has a de facto code of ethics whether it is written down or not. U.S. military organizations, it was noted, have recognized this and have attempted with some success to develop ethical canons responsive to the military mission. Agency critics, of course, are heavily concerned with the ethical question and, in the view of some participants, the Agency has failed to answer them effectively because it has not consciously developed a full and explicit ethical stance. We need to set some clear norms for ourselves, one participant said, because we are at our worst when we feel we can act differently from others. Our ethical responsibility to each other as intelligence officers and as at least one officer believed, to the people of the United States, is of vital importance in maintaining the esprit de corps and effectiveness of the Agency. Although no code can guarantee to stop ethical abuses, it could help. One thing no code can be expected to do, in the view of the majority of the participants, is to equip the Agency to say no to an outside administration or to Congressional pressure. If a code were developed, it was the unanimous view of the group that the Agency leadership, to make it effective, would have to stand consistently and clearly behind it.

CONFIDENTIAL

Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

There was a clear awareness that an attempt to develop a formal code would be a formidable task, and might have some adverse effects. Such an effort could be viewed on the outside as hypocritical. Does an espionage organization really want to set professional standards for itself that put it on a par in a sense with established professions like medicine and law which operate with canons of their own? How specific should such a code be? How general? There would be so many twists and turns and subtleties of meaning to consider that the chances for misinterpretation and indeed the lack of clear understanding would be very large. One participant feared that such a code would only confuse the case officer, making him tend to shy away from the tougher agent decisions and initiatives--often the vital lifeblood of espionage.

The opportunities for various perceptions of such a canon were illustrated in a discussion of one such code that has been developed in draft and circulated for comment. Some Agency managers to whom it was shown objected on grounds that it added unnecessarily to their responsibilities; middle-level officers liked it, seeing it in part as a wedge with superiors to fight objectionable orders; the young officers in the DO liked it because it offered them an ethical rationale for engaging in espionage.

CONFIDENTIAL

Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

CONFIDENTIAL

Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

One participant who was not enthusiastic about developing a code or canon of ethics suggested that if such an effort were made it should be cast in the form of a sort of charter in which the purpose of the organization is set forth in positive terms rather than in terms of ideals such as objectivity. Such a charter would permit the desired ideals to flow from the positive statement of purpose. There is a danger in setting up a list of negative "do-not's" in that we would appear to be stating that we would only execute those orders which fit within some stated set of ethics.

Whether or not it would prove possible to develop a satisfactory and defensible canon, there emerged a general consensus among the group that the Agency should probably make a serious attempt at it, while taking some other specific steps aimed at focusing the ethical consciousness of CIA above the subliminal level of concern at which it now exists. The very effort itself, whether we ever get to a fixed canon, may be the most worthwhile part of it. Discussion of ethical issues is needed for new people coming into the Agency. It offers them the opportunity to confront, and to explore problems they may face later in the course of their careers. Discussion of ethical issues should be made a part of the training program with specific time for the subject built into a variety of training courses including those for operational officers, analysts and support officers.

CONFIDENTIAL

CONFIDENTIAL

Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

ANNEX A - RECOMMENDATIONS

of the Seminar on Ethics and Creativity in CIA

held 11 and 12 November 1976

1. To Preserve and Enhance Employee Creativity and Initiative, the Agency Should:
 - a. take every opportunity to stress that individual officers should try to exercise their responsibility and authority to the fullest, avoiding unnecessary referrals of minor matters up the line.
 - b. take every opportunity to stress the interest in and receptiveness of management to individual initiative.
 - c. continue to stress and develop personnel programs designed to cut the size of the Agency's work force, improve its evaluation systems for employees and provide opportunities for rotational assignments.
 - d. seek to stem the trend of decision-making authority to rise to ever-higher levels by a conscious effort to delegate authority downward, and set a tone of trust towards the levels to which that authority has been delegated.
 - e. take a detached look at the extent to which MBO and other formal management systems may be inhibiting creativity.
 - f. encourage the further development at a component level of informal "developmental" or "idea" units.
2. In Coping With Criticism of CIA Foreign Liaison Relationships, the Agency Should:
 - a. explicitly develop for use with the critics the best possible case for maintenance of responsible liaison.

CONFIDENTIAL

Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

- b. explicitly request interested Agency officers to come forward with ideas for new collection techniques to compensate for any future losses in liaison information.
 - c. encourage initiatives designed to modify objectionable behavior of liaison services.
- 3. To Enhance a CIA Internal Climate that Does not Discourage Responsible Dissent, Management Throughout the Agency Should:
 - a. take every opportunity to maintain an open decision-making process up and down the line that truly provides opportunities for pro and con consideration of issues in a given situation.
 - b. avoid the creation of further formal mechanisms for dissent, while seeking to apply, where circumstances seem appropriate, such techniques as the A team, B team approach to problems and issues.*
- 4. To Enhance Our Ethical Consciousness, the Agency Should:
 - a. authorize an explicit, broadly-based effort to develop an ethical canon, recognizing that this is a tricky, difficult task, but that the benefits of the process itself will probably be well worth the effort.
 - b. provide explicit opportunities in the training cycle of the Agency for the discussion and exploration of ethical problems that arise in all parts of the Agency.
 - c. consider the dissemination of an official statement aimed at our employees delimiting and explaining the Agency's policies and processes on covert action.

*This recommendation was supported by a majority; a minority believes there should be further formal mechanisms on major issues.

Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

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Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6

Next 1 Page(s) In Document Exempt

Approved For Release 2001/11/20 : CIA-RDP80-00473A000800010001-6